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ABSTRACT

Educational vouchers are the most controversial of numerous school-choice alternatives. This ERIC Digest provides some background on the topic and discusses the support that educational vouchers has received, as well as arguments for and against vouchers. The digest supplies information concerning the degree of success for voucher programs and cites some studies that found consistent, generally positive results regarding inclusion of low-income families, parent satisfaction, parent education levels, parent marital status and family size, race-ethnicity, and attrition and mobility. Findings were inconclusive or inconsistent regarding student achievement and parental involvement. Two final sections discuss the constitutionality of publicly financed voucher plans and major policy issues and recommendations. Vouchers may be constitutional in some states, but not in others. During the past decade, the High Court appears to have become more willing to allow state aid to flow to sectarian schools. Major policy issues include voucher plan effects on private schools, accountability, and program quality. (Contains 13 references.) (DFR)

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# Educational Vouchers

*By Margaret Hadderman*

Educational voucher programs, which provide parents with public grants to send their children to public or private schools of their choice, are the most controversial of numerous school-choice alternatives.

The notion originated in the mid-1950s, when economist Milton Friedman argued that vouchers would improve educational efficiency by placing schools in a competitive, free-market position (Miller 1999). In 1971, while working on California's famous "Serrano" case, law students Jack Coons and Stephen Sugarman recommended vouchers for students in poor districts as a potential remedy for unconstitutional school-funding inequities (Miller).

## Who Supports Educational Vouchers?

Public support for voucher systems is steadily growing. In the 1998 and 1999 Phi Delta Kappa/Gallup Polls, 51 percent of respondents said they would favor a proposal for total/partial government-paid tuition to send their children to private or church-related schools. In 1999, 60 percent of public-school parents favored such plans, compared with 56 percent in 1998. When questions specified voucher plans, proponents and opponents' responses were more evenly divided (Rose and Gallup 1998 and 1999).

Characterizing voucher advocates is difficult, as the case for parental choice "is made by those of all political stripes and persuasions,... by members of majority and minority ethnic groups; by the wealthy and the poor; by the religious and the secular" (Metcalf and Tait 1999).

In contrast with media reportage of prominent politicians' views, the 1998 Kappan/Gallup poll found that Republican respondents were evenly split over full-tuition vouchers for private or religious schools; a slim majority of Democrats favored vouchers. Other groups favoring full-tuition vouchers include African-Americans, 18- to 29-year-olds, parents with average- or low-achieving children, and urban dwellers.

## What Are the Arguments for and Against Voucher Programs?

Advocates claim vouchers will provide poor, innercity families with the educational choice enjoyed by more affluent families, including the chance to escape from low-performing neighborhood schools (Metcalf and Tait). Others believe that "increased competition from voucher schools will force public schools to improve, or risk closure" (Adelsheimer and Rix 1999). Still others regard private schools as efficient, family-oriented institutions that promote appropriate student behavior and high achievement.

Critics claim voucher plans will drain money from public schools, cull the most highly motivated students and parents, violate church-state separation, be costly to administer, and raise property taxes (Miller; Adelsheimer and Rix). Many opponents are also concerned about private-school capacity, the predominance of religious schools, private institutions' selective admissions policies, and government intrusion issues.

## Are Voucher Plans Succeeding?

The best known publicly financed voucher systems are the Milwaukee Parental Choice Program and the Cleveland Scholarship and Tutoring Grant Program. Initiated in 1990, the Milwaukee program originally offered $2,500 in private-school tuition for children from low-income families. Over time, vouchers increased to $5,000, student enrollment reached 6,000, and religious schools were added (Metcalf and Tait).

The Cleveland program was implemented in 1996. This program also targeted low-income families, embraced religious schools, and provided tutoring assistance. By 1997-98, vouchers were available for 4,000 K-5 students (Metcalf and Tait). Like the Milwaukee program, Cleveland's plan has been evaluated and reevaluated by various research teams, with widely divergent findings.

In June 1999, the Florida State Legislature adopted a plan that "could qualify as many as 150,000 of the state's 2.3 million K-12 public school students for vouchers"—a $750 million investment (Elam 1999).

Privately financed voucher plans operate in about thirty-one cities (Miller). In April 1999, billionaire financier Ted Furstmann and Wal-Mart heir John Walton announced a plan to award $170 million in private and parochial-school scholarships to 40,000 (out of 125,000) student applicants from low-income families.

A few privately sponsored plans have been preliminarily evaluated (by Harvard University's Program on Education Policy and Governance), including pilot scholarship programs in New York City, Washington, D.C., and San Antonio's Edgewood School District.

Analyzing several evaluations of the Cleveland, Milwaukee, and New York City programs, WestEd researchers found consistent, generally positive results regarding inclusion of low-income families, parent satisfaction, parent education levels, parent marital status and family size, race-ethnicity, and attrition and mobility. Findings were inconclusive or inconsistent regarding student achievement and parental involvement.

The Harvard study of the Edgewood Horizon Scholarship Program (financed by the Children's Educational Opportunity Foundation of America) drew similar conclusions about low-income families' participation, minority representation, and parental satisfaction with private schools. It also documented voucher students' modest achievement-test gains, compared with public-school counterparts (Peterson 1999). Another, less formal investigation revealed that sponsors targeted selected students; vouchers were used primarily to support

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religious education; several district schools were high-achieving; and both voucher and public-school parents seemed satisfied with local public schools (Mandell 1999).

## Are Publicly Financed Voucher Plans Constitutional?

Inclusion of parochial schools in voucher programs is a thorny issue—especially since four-fifths of private schools have religious ties. For one legal expert, "the central federal question is whether the participation of sectarian schools violates the First Amendment's establishment clause, which prohibits governmental action" that advances religion (McCarthy 2000). During the past decade, McCarthy notes, the High Court appears to have "relaxed its interpretation of the establishment clause, and is willing to allow more state aid to flow to sectarian schools than in the past."

Another expert believes the courts are more likely to uphold publicly financed voucher programs if they are packaged as scholarships "going to parents, if parents or students have a wide choice of schools, and if no preference is given to religious schools" (Sianjina 1999).

Also, vouchers may be constitutional in some states but not in others. In November 1998, the U.S. Supreme Court declined to review a case challenging a Wisconsin Supreme Court ruling that upheld the Milwaukee voucher program—a disappointment for critics and advocates alike (McCarthy).

Meanwhile, voucher proponents plan to appeal a December 1999 U.S. District Court ruling against the Cleveland voucher program, moving the program closer to a possible test before the U.S. Supreme Court. Judge Oliver delayed enforcement pending such an appeal to the U.S. Court of Appeals (6th Circuit) in Cincinnati.

In Maine and Vermont towns lacking high schools, informal voucher plans allow secondary students to attend public schools or approved private schools outside their home districts. In both states, higher courts have squashed citizen efforts to add religious schools (McCarthy).

## What Are Major Policy Issues and Recommendations?

According to WestEd, policymakers must consider the costs of voucher programs (and the costs of potential court challenges). The value and number of vouchers will influence costs. Resources lost to districts may have to be made up by higher taxes (Adelsheimer and Rix).

Other considerations include voucher availability, amount, selection of recipients, publicity/promotion, engagement of nonchoosers, racial/ethnic balance, provisions for special-needs students, and transportation.

Voucher plans' effects on private schools cannot be ignored. Acceptance of public funds generally means government regulation, increased paperwork, and cash-flow problems (Adelsheimer and Rix). Program implementation is hampered by midyear school closings, student attrition (Witte 1999), and private schools' nonparticipation in government free/reduced-price lunch programs—a common eligibility requirement for voucher recipients (Mandell).

More information is needed about private schools' capacity and responsiveness to accepting diverse student populations. According to a U.S. Department of Education survey of private schools, 73 percent of nonpublic schools are not interested in accepting special-needs students; 92 percent would accept student transfers only if "allowed to maintain their current admissions, curriculum, and religious instruction policies" (Muraskin and Stullich 1998).

Accountability and program quality are important factors. The public, recent polls indicate, expects private schools that accept public dollars to be as accountable to the state as public schools are (Murphy 1999). A sizeable majority of respondents expect private schools to accept students from a wide variety of academic backgrounds (Rose and Gallup 1999), maintain high curriculum standards, and employ certified teachers (Murphy).

Miller recommends that teacher unions embrace school choice as a catalyst for improving public education and that conservative voucher advocates relinquish their money-saving motivations. Special-needs students are expensive to educate, and innercity school buildings are deteriorating. Claiming support from Friedman, the NAACP, Lamar Alexander, and assorted liberals, Miller advocates furnishing poor, innercity children *and* local public schools with vouchers based on the basic per-pupil cost plus 20 percent. This progressive approach, Miller believes, will "pursue the benefits of vouchers without risk to the poor."

McCarthy advocates comprehensive public discussion of voucher systems before they proliferate like charter schools and other reforms, arguing that "we should at least gather data supporting the efficacy of such plans and be certain that they do not compromise national values." Policymakers, she believes, should proceed cautiously, "since the school privatization movement has tremendous potential to alter the nature and role of public education in the United States."

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